



BY APPOINTMENT

Holt, Renfrew & Co.
Limited

Annual Report
January Thirty-first
Nineteen-Thirty-Eight

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HOLT, RENFREW & COMPANY LIMITED

Head Office: MONTREAL

Branches

QUEBEC - MONTREAL - TORONTO - WINNIPEG

7

Directors

SIR HERBERT S. HOLT

SENATOR LORNE C. WEBSTER - SENATOR D. O. L'ESPERANCE

SENATOR A. J. BROWN, K.C. - J. W. McCONNELL

W. H. McWILLIAMS - A. J. WALKER

R. B. LINDSAY - R. G. LIDDY

Officers

SENATOR LORNE C. WEBSTER, *President*

A. J. WALKER, *Vice-President and Managing Director*

R. G. LIDDY, *Secretary-Treasurer*

ANNUAL REPORT — JANUARY 31, 1938

REPORT OF THE PRESIDENT AND DIRECTORS SUBMITTED
TO THE ANNUAL MEETING OF THE SHAREHOLDERS
TO BE HELD ON

TUESDAY, MARCH 29th, 1938 AND IMMEDIATELY
ADJOURNED UNTIL TUESDAY, APRIL 12th, 1938.

To the
Shareholders of Holt, Renfrew & Company
Limited

Your Directors submit herewith the Annual Report of your Company, covering its operations for the year ending January 31, 1938.

During the year there has been erected a new store in Montreal at the corner of Sherbrooke and Mountain Streets.

Your Directors recognized that the move from St. Catherine Street—a commercial thoroughfare—to Sherbrooke Street—until now largely a residential section—was definitely pioneering, and are glad now to report that the move has already justified itself.

The premises located on McGill College Avenue are now being used as a Wholesale Raw Fur and Dressed Skin sales room. This fact accounts to a large degree for the increase in inventories over last year.

During the year the outstanding balance of 6½% Sinking Fund Gold Bonds, amounting to \$362,000. was fully retired, as well as the balance of the purchase price of \$200,000. owing on the St. Catherine Street store.

A Mortgage was arranged on our properties to the extent of \$415,000. with interest at 5% per annum for a period of ten years.

Your Directors regret very much the decision of Mr. J. W. McConnell to retire from your Board of Directors, owing to pressure of other duties, after having served in that capacity since 1919.

Your Directors take this opportunity of expressing their appreciation of the continued faithful services rendered by the employees throughout the year.

Respectfully submitted on behalf of the Board.

ALVIN J. WALKER,
Vice-President and Managing Director.

HOLT, RENFREW & C

BALANCE SHEET J

Assets

CAPITAL ASSETS:

Land and Buildings	\$1,159,912.85
Shop Furniture and Fixtures, Automobiles, etc., less de- preciation	152,345.25
	\$1,312,258.10

NOTE:—Under date of January 31, 1938
Canadian Appraisal Co., Limited, valued
the properties at a depreciated value of
\$1,421,732.07.

Goodwill	772,453.79	
		\$2,084,711.89

CURRENT ASSETS:

Inventories of Skins, Manufactured Furs, etc., as valued by the Management at or below cost	\$ 846,410.04	
Trade Accounts Receivable, less Reserve	419,602.37	
Other Accounts Receivable	23,104.62	
Cash on hand and on deposit	40,852.35	
Cash Deposit with Fire Insur- ance Underwriters	55,718.99	
		1,385,688.37

INVESTMENT in and advances to Huron Manufacturing Co., Ltd.

55,720.53

DEFERRED CHARGES:

Taxes, Insurance and Expenses paid in advance	26,508.32
	<u>\$3,552,629.11</u>

Approved on behalf of the Board:

A. J. WALKER, *Director.*

R. G. LIDDY, *Director.*

COMPANY, LIMITED

ANUARY 31, 1938

Liabilities

CAPITAL STOCK:

Seven Per Cent. Cumulative Preferred—Authorized and Issued:

10,000 shares of \$100.00 each.... \$1,000,000.00

NOTE:—PREFERRED DIVIDEND PAID
TO DECEMBER 31, 1932.

Common:

Authorized and Issued:

10,000 shares of \$100.00 each.... \$1,000,000.00

\$2,000,000.00

MORTGAGE PAYABLE 5%

maturing in semi-annual instal-
ments from April 1, 1938 and
balance of \$217,875.00 due
October 1, 1947

415,000.00

CURRENT LIABILITIES:

Bank Loan \$ 505,000.00

Accounts Payable and Accrued
Liabilities 28,957.97Prepaid Storage and Sundry
Credit Balances 10,566.58Provision for Dominion and
Provincial Income Taxes 9,908.04

Accrued Mortgage Interest 6,916.68

561,349.27

RESERVES:

For Contingencies \$ 6,638.31

For Depreciation of Buildings 80,000.00

86,638.31

SURPLUS:

As per Statement attached

489,641.53

\$3,552,629.11

HOLT, RENFREW & COMPANY LIMITED

Statement of Profit and Loss and Surplus for the year ending January 31st, 1938

Profit from Operations for the year ending January 31, 1938, after deducting Selling, General and Administration Expenses and before making provision for Depreciation, Dominion and Provincial Income Taxes, and the charges listed below	\$ 101,310.68
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DEDUCT:

Bond Interest	\$ 11,476.06	
Other Interest	32,804.24	
		44,280.30
		57,030.38

DEDUCT ALSO:

Depreciation of Automobiles	1,270.00	
Bond Discount Written Off	1,973.31	
		3,243.31
		53,787.07
Provision for Dominion and Provincial Income Taxes		10,045.62
		43,741.45
Surplus, January 31, 1937		445,900.08
Surplus, January 31, 1938	\$	<u><u>489,641.53</u></u>

HOLT, RENFREW & COMPANY LIMITED

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of Holt, Renfrew & Company Limited in Montreal and Winnipeg for the year ending January 31, 1938, and have been furnished with a Balance Sheet and Profit and Loss Account of the Toronto and Quebec Branches certified to by the Chartered Accountants who audited the books of these Branches. We have obtained all the information and explanations which we have required. The operations of the year have not been charged with any provision for depreciation of buildings and fixtures, and, subject thereto, we report, that, in our opinion, the above Balance Sheet at January 31, 1938 is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company which we have examined and the Certified Accounts of the Branches which were furnished to us.

PRICE, WATERHOUSE & CO.,
Auditors.

MONTREAL, March 5, 1938.

